



STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION

ROY COOPER
GOVERNOR

MACHELLE SANDERS
SECRETARY

MEMO

TO: Joint Legislative General Government Oversight Committee
Representative George Cleveland, Chair
Representative Dennis Riddell, Chair
Senator John Alexander, Chair

FROM: Secretary Machel Sanders

RE: Report per Session Law 2018-5, Section 31.2

Session Law 2018-5, Sections 31.2(a) requires the Department of Administration (DOA) to coordinate with other State agencies to use existing geographic information systems and information technology systems in developing a real estate information system to manage the State's owned and leased real property portfolio in the manner required by G.S. 143-341.2. DOA shall report to the Joint Legislative Oversight Committee on General Government its progress in implementing the provisions by November 1, 2018.

Session Law 2018-5, Section 31.2(b) provides a \$1,000,000 Non-Recurring transfer from the E-Commerce fund to be used to develop a real estate information system (REIS), as required per Session Law 2016-119, further requiring DOA to actively manage the state's portfolio of real property; to require measurement of the current utilization of state-owned facilities; to ensure the accuracy of the real property inventories maintained by the Department of Administration; and to ensure that the use of state-owned space is maximized before leases are entered into or renewed.

The following timeline outlines the Department's progress in FY 18-19 toward the development of a Real Estate Information System (REIS):

July – August

DOA engaged a Business Analyst (BA) from the Department of Information Technology (DIT) to provide the specifications and business requirements necessary for the development of a Request for Proposal.

There are over 140 business requirements specified which address the following:

- Facilitate real-time collection and dissemination of real property information.
- Enable statistical data reflecting asset value on demand.

- Incorporate GIS data to locate facilities controlled and managed by the State.
- Assist executive management in determining cost data near real time.

Data integration and interoperability are essential, enabling the following systems to work seamlessly and collaboratively:

- State Construction Office -Interscope system
- Facilities Management System (TM2 to be replaced)
- NC Department of Insurance

August - Current

The Department is currently examining our existing business processes in order to improve the quality of the data submitted by agencies. One Facilities Information System (FIS) staff member has been assigned to manually review and verify existing data, identify gaps and work with agencies to fill these gaps.

November

Through the competitive bid process via a “Request For Proposal” (RFP) to be issued by the Department of Information Technology, DOA is seeking a robust, secure, cloud-based system.

Key benefits and deliverables derived from the Real Estate Information System (REIS) are:

- Hosted solution that will streamline data collection efforts pertaining to the disposition of real property.
- Cost savings through the reduction of paper from the management process of real property.
- Improvement in overall data integrity for real property portfolio.
- Improved coordination of real property assets.
- Enhanced decision-making capabilities for executive management.
- Use of automated tools to reduce time and improve real property data accuracy.
- Solution that is user friendly and easily maintainable.

Challenges / Next Steps:

Implementing the Real Estate Information System will require Recurring funds for a scalable (on-demand software) software as a service enabling the Department to fully comply with *Session Law 2016-119*. In addition, the Department has evaluated our current staffing capacity as we anticipate the success of this project hinges upon catching up the current backlog of about 800 files and verifying new data elements as required per *SL 2016-119*. Under current staffing levels, with only three FTE in our Facilities Information Section, it would take us several more years to complete this work. We look forward to working with our legislative partners to bring this project to fruition.